

Congressman Mike Honda

Legislative Update

August 2003

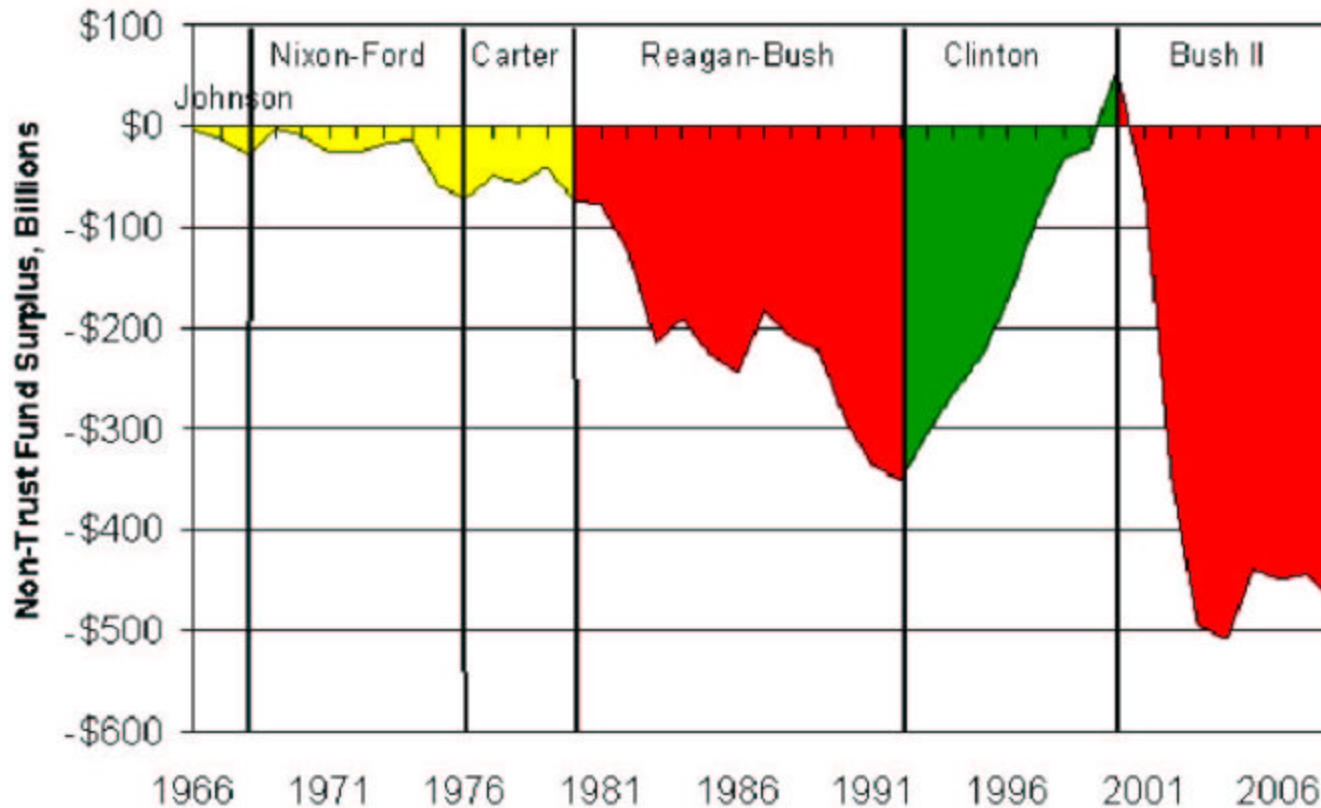
www.house.gov/honda

Welcome

- Economic Update
- Prescription Drugs/Medicare Update
- Education Update
- Q & A

A Fiscal Opportunity Lost

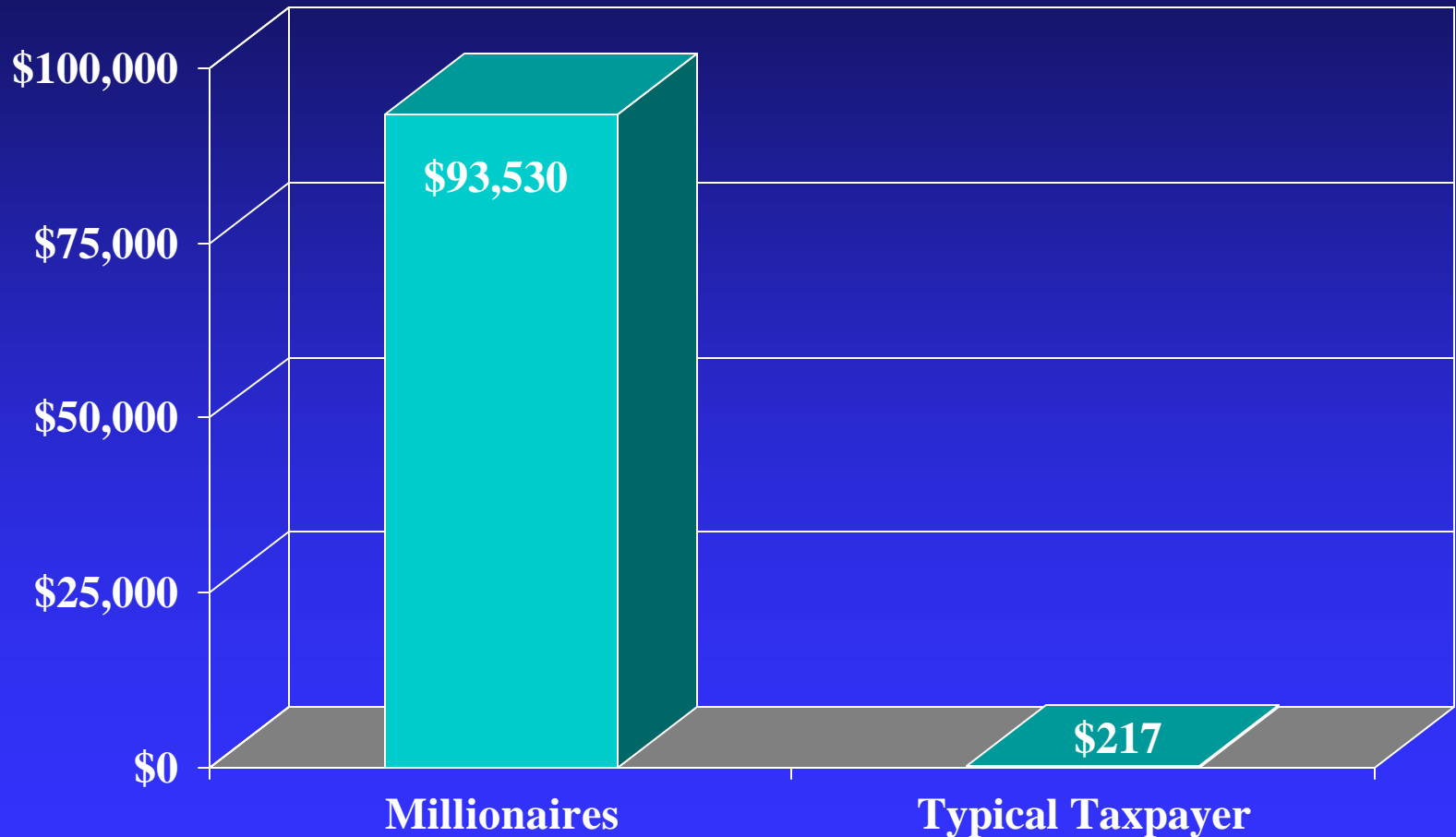
Total Surplus or Deficit without Social Security or Medicare TF Surpluses



Bush \$350 Billion Tax Plan & Effect on Middle Class Americans

- Saddles our children with debt
- Turned projected \$5.6 trillion surplus over 10 years into a record \$3.6 trillion deficit
- Largest fiscal reversal in U.S. history

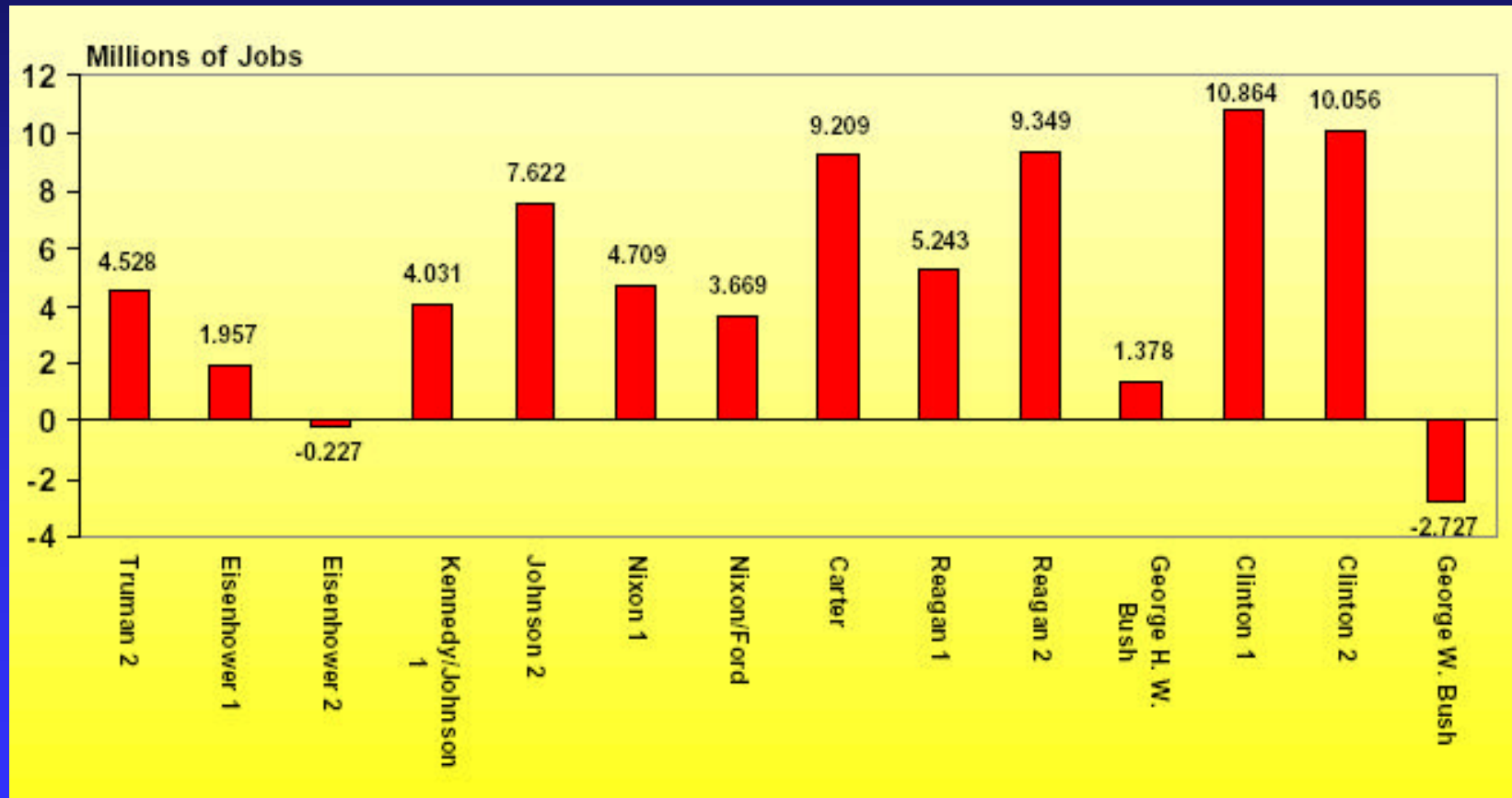
Average Tax Cut Under GOP Plan



State of our Economy

- Since Jan. 2001:
 - ◆ 3.2 million total jobs have been lost
 - ◆ 2.5 million private-sector jobs lost
 - ◆ More than 74,000 jobs a month have been lost
- No Presidency since World War II has seen job losses of this magnitude

Private Sector Job Growth Since WWII



Unemployment Statistics

- When President Bush was inaugurated the national unemployment rate was at 4.2%. Today, it is 6.2%.
- Santa Clara County
 - ◆ Unemployment is at 8.4%
 - ◆ Lost 6,200 jobs from June to July 2003
 - ◆ Lost 44,000 jobs in last year

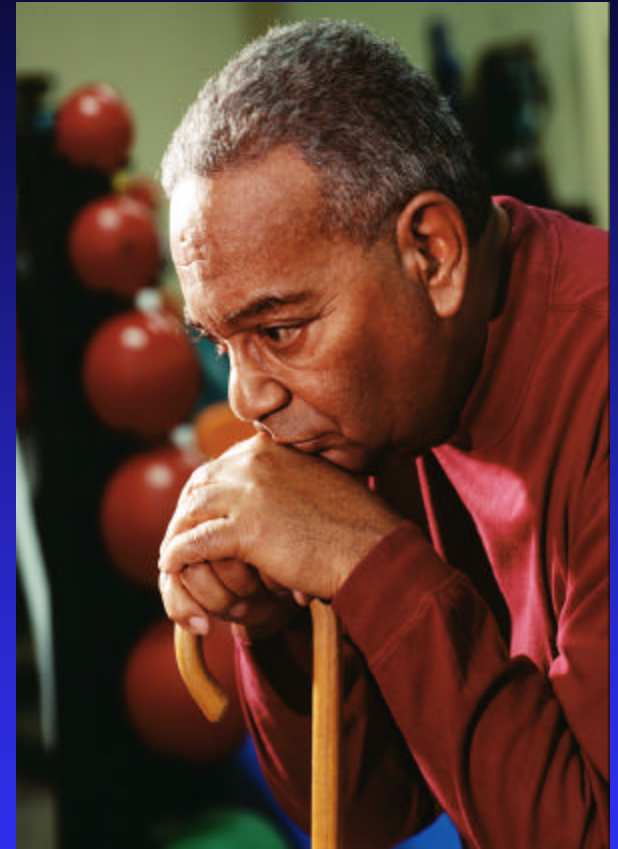
Medicare Prescription Drug Benefit

A GOOD PLAN MUST BE:

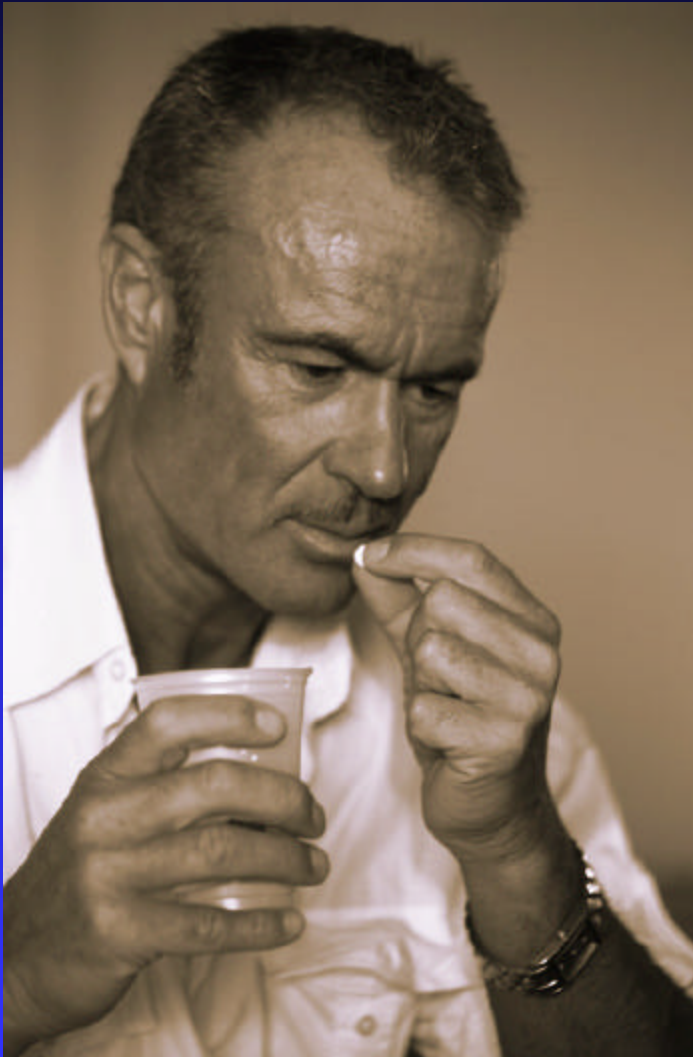
- ✓ Affordable
- ✓ Guaranteed
- ✓ Widely Available
- ✓ Within the Medicare Program

Democratic Plan

- Premium: \$25 a month
- Deductible: \$100 a year
- Co-insurance: beneficiaries pay 20%; Medicare pays 80%
- Out-of-pocket limit: \$2,000 per beneficiary per year
- Additional low-income assistance



The House GOP Bill



- Pushes Seniors into HMOs
- No Limits on Premiums
- Massive Coverage Gap

The House GOP Bill (cont.)

- **Not Affordable**
- **Not Offered through Medicare**
- **Not Guaranteed**
- **Not Available to All**

The Republican Plan Leaves Seniors Empty Handed

■ Deductible* ■ Coinsurance** Gap ■ Catastrophic***



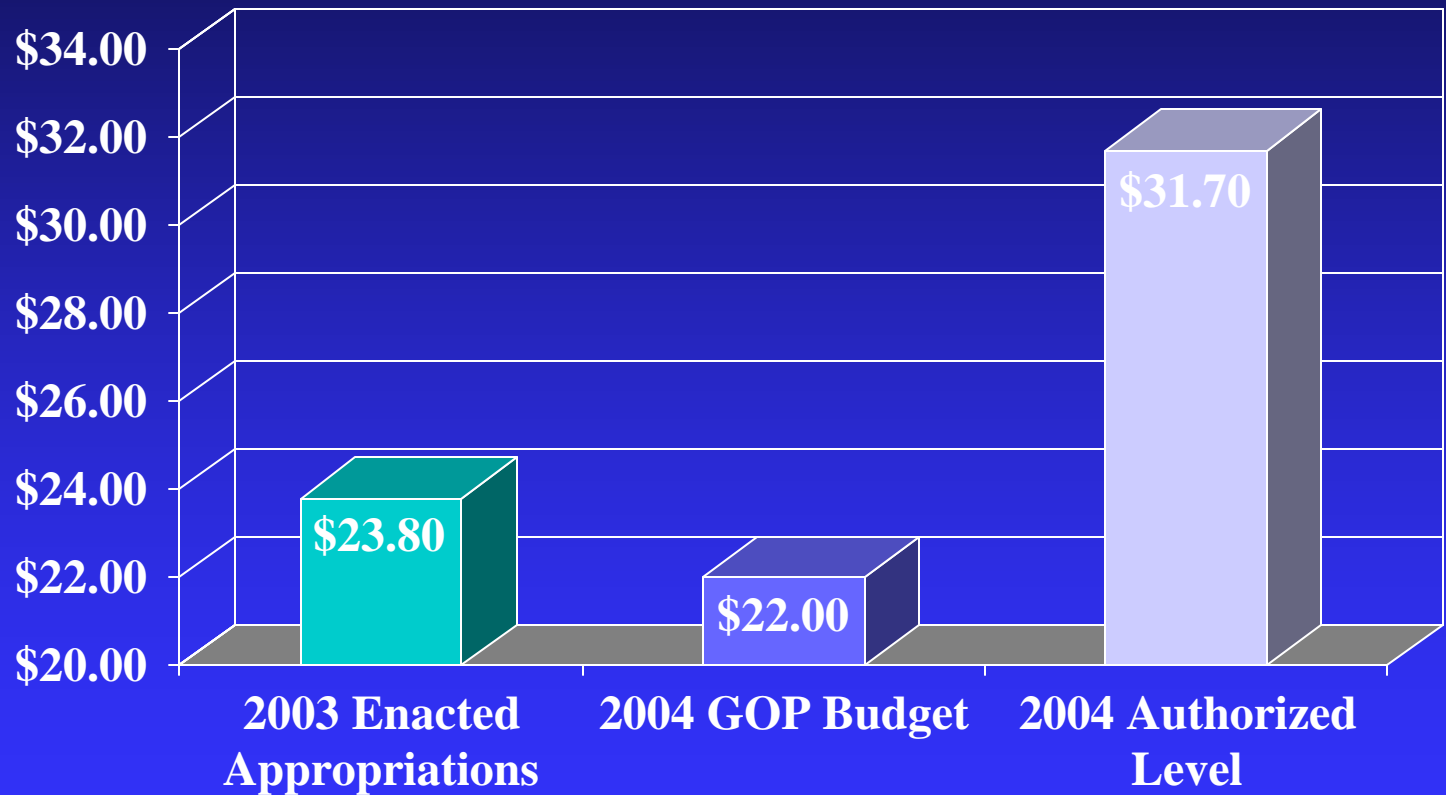
Total Spending by Beneficiary

* Seniors pay 100%

**Seniors pay 20%

***Limited benefit for seniors with income over \$60,000

Republicans Cut Funds for Education & “No Child Left Behind”



Conclusion

- Q & A

- Thank You